

E-book

# DRIVING MISSION IMPACT THROUGH AI AND AUTOMATION

A guide for ambitious nonprofit CFOs

Sage



# Introduction

## The nonprofit finance evolution

**The nonprofit sector is undergoing unprecedented challenges. In this uncertain economic environment, now is the time for ambitious finance leaders to capitalize and maximize their impact.**

For CFOs, the changing geopolitical environment and rapid pace of digital innovation present the opportunity to secure a more strategic position. 90% of CFOs across industries feel that their scope has already expanded into more strategic tasks—from contributing to corporate strategy, into ESG planning and reporting, team mentorship, board engagement, and more. Increasingly, finance leaders must be on top of historic data, look for opportunities for growth, and provide key insight to the leadership team.

To maximize this enhanced role, unlock new opportunities, and generate new chances to grow, nonprofit CFOs must be supported by the right technology. It's time to shake off the manual processes holding you back. For years, an over-reliance on complex processes and reporting, lack of real-time insights, and outdated technology have stymied impact in the nonprofit sector. Now technologies like AI are set to change all of that.

In the [Sage 2025 Nonprofit Technology Impact Report](#), which surveyed more than 350 nonprofit leaders, four in 10 respondents said their biggest operational challenge was a lack of process automation and organization efficiency. Over a third (35%) pointed to manual, time-consuming reporting, and 34% said it was a lack of real-time visibility into key metrics and performance. Poor budgeting and planning (31%), and inefficiencies and delays due to multiple disparate systems (29%) were also high on the list.



For the first time since the survey began, the greatest external challenge identified by nonprofits was staffing. Time-intensive operational demands are leaving the finance workforce short of capacity to do more strategic work, or proactively by the leadership team. There's growing pressure to do more with less, driving an effort to find efficiencies in every workflow.

Faced with such challenges, AI is providing hope for the future. By utilizing technology to automate repetitive manual tasks, analyze data and mitigate risk, nonprofit leaders can find new efficiencies and boost collaboration within their organizations, at the same time as driving the wider success, strategy, and future of their mission impact.

# Table of contents

AI fundamentals for nonprofit finance	page 4
Elevating mission-critical applications	page 9
Getting started: Your implementation roadmap	page 18
Looking ahead	page 20



# AI FUNDAMENTALS FOR NONPROFIT FINANCE



HOW AMBITIOUS NONPROFIT CFOs CAN DRIVE GREATER MISSION IMPACT THROUGH INTELLIGENT AUTOMATION

**In all of the hype and headlines swirling around AI, it's hard to cut through to what really matters. Essentially, AI is a term that encompasses a number of smart applications, which use algorithms to replicate the tasks that would conventionally be done by humans.**

**More than half (54%) of CFOs already leverage AI in their daily operations. In the nonprofit sector, the hunger for digital transformation is even higher than average. Nine in 10 nonprofit finance leaders want to continue to drive innovation in financial processes and technologies.**

**There is a clear ambition for change. But what could that look like?**



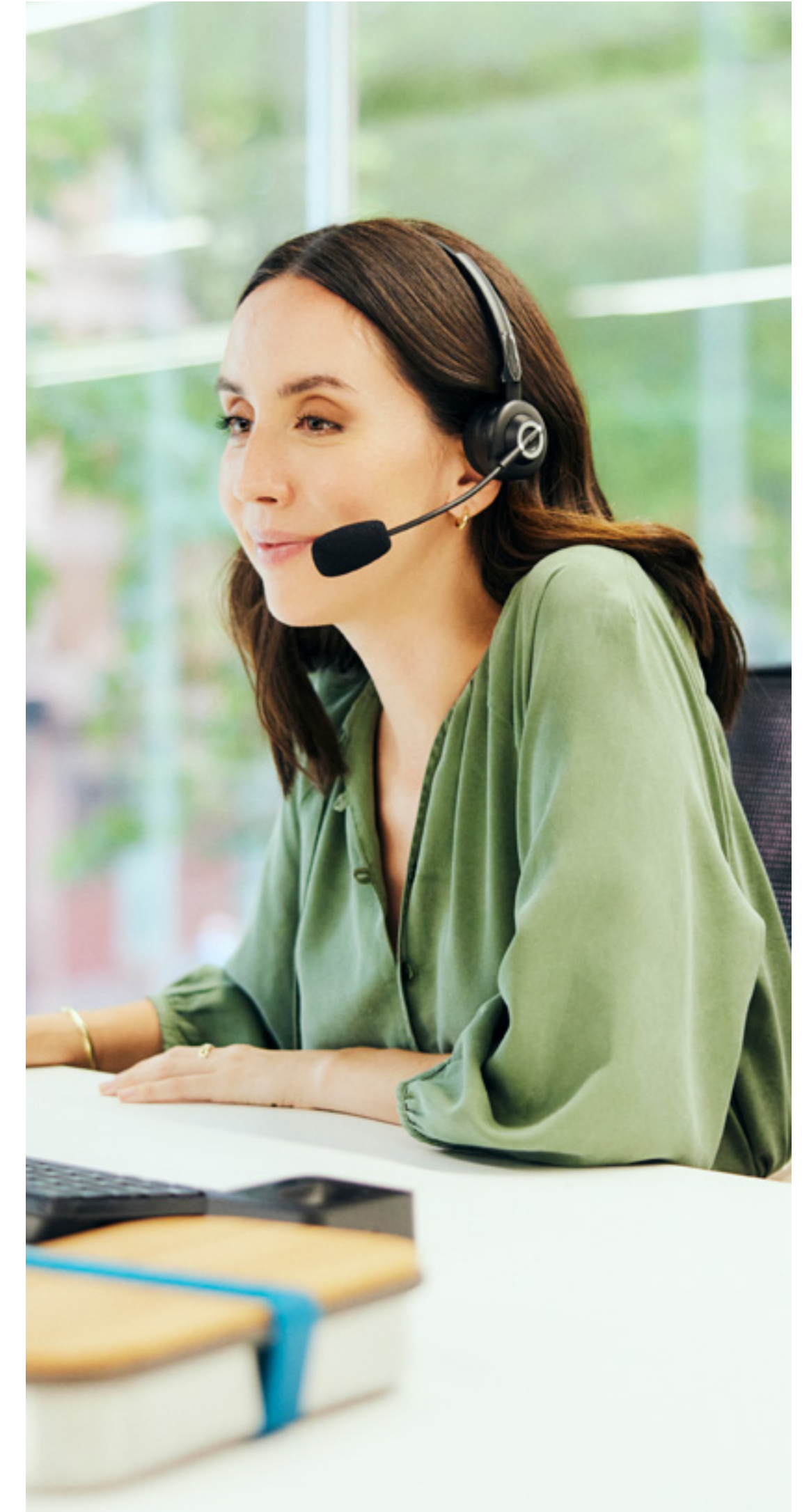
AI comes in two main forms:

- 1 Traditional AI**  
Analyzes existing data to make predictions and decisions, enhancing efficiency, reducing risks, and improving decision-making through tasks like fraud detection, risk assessment, and automated customer service.
- 2 Generative AI**  
Creates new content like text, images, and financial forecasts by learning from large datasets. For nonprofits, this could mean automating report writing, developing board presentations, and generating data-driven insights for strategic planning.

# Confused by the jargon surrounding AI?

Here's what some of those key terms mean:

- **Algorithm:** a series of steps that a machine follows to solve a problem or perform an action.
- **Machine learning:** a subset of AI that uses algorithms to learn from data and make predictions.
- **Deep learning:** a subset of machine learning that mimics the human brain's ability to learn from unstructured data.
- **Natural language processing (NLP):** a type of AI that enables computers to understand spoken and written human language.
- **Intelligent automation:** a combination of technologies that uses AI to automate repetitive tasks and improve business processes.
- **Large language models (LLMs):** a type of AI that's trained on large amounts of text data. LLMs can create text, answer questions, and more.
- **Chatbot:** a computer program that uses AI to engage with humans and answer questions.
- **Hallucination:** an incorrect response from an AI system, or false information that is presented as factual.
- **Unstructured data:** data that is undefined and difficult to search, including audio, photo and video content.



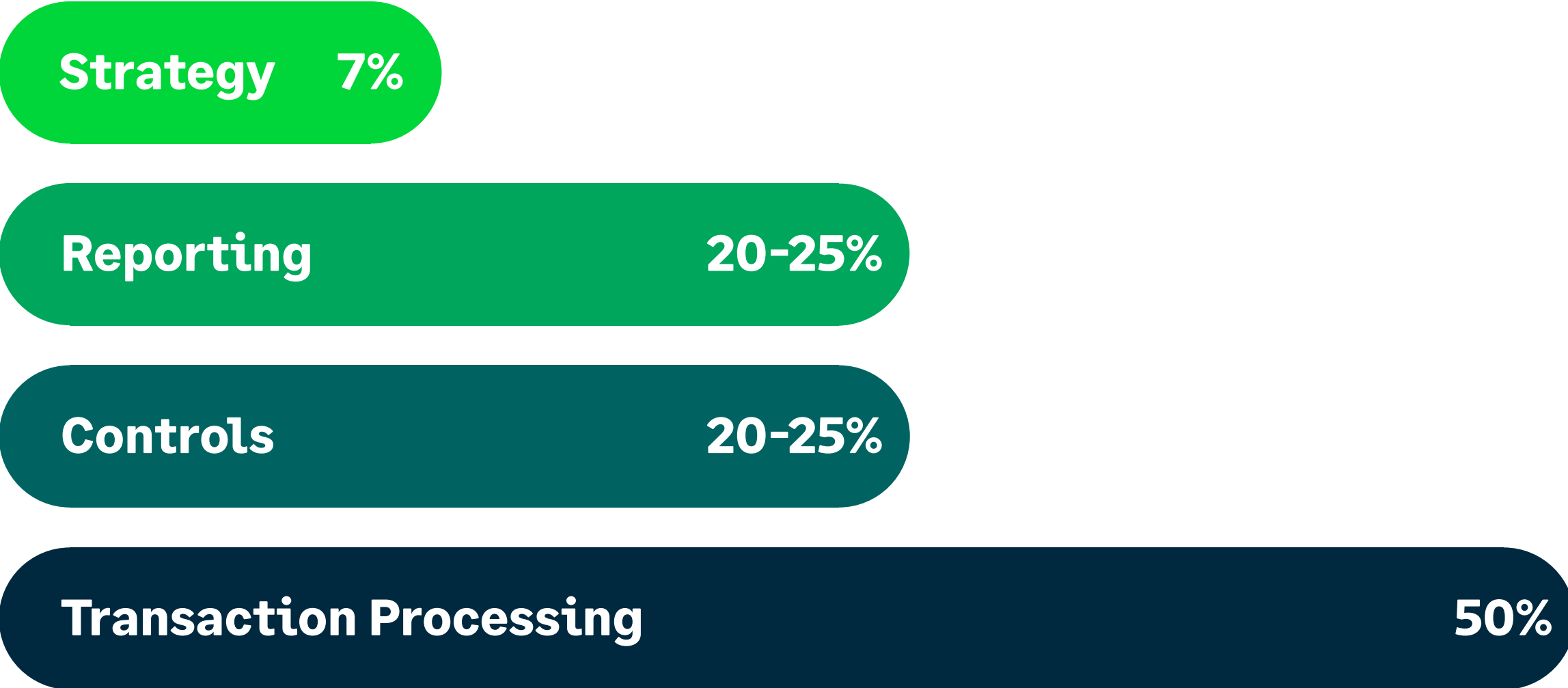
**Powered by AI, the goal of intelligent automation is to empower humans by taking care of repetitive tasks such as data entry, pattern recognition, and data analysis, which leaves them more time for higher-level work. It's suitable for nonprofits of all sizes and mission types, and is going to transform how nonprofit finance teams operate.**

By automating almost all workflows, nonprofits will be able to boost productivity and efficiency, and use real-time insights to make smarter decisions.

But that doesn't mean that intelligent automation will replace people. While AI excels at processing transactions and identifying patterns, accountants provide the crucial expertise needed to ensure compliance and accurate financial representation.

The human element is particularly vital in the nonprofit sector, where emotional intelligence and human compassion are essential. Organizations should also commit to principles of responsible AI whereby consideration is given to privacy and security, data ethics, inclusiveness, and accountability every step of the way.

**How finance teams currently spend their time:**



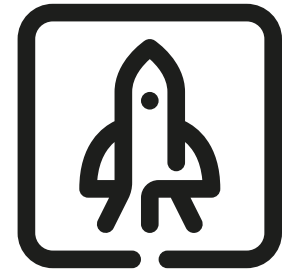
**How finance teams with automation can spend their time:**



According to the Chartered Institute of Management Accountants (CIMA), finance teams currently spend less than 7% of their time on organizational strategy, versus 50% on transaction processing, 20% on reporting, and 20% on controls. With AI, the current balance will be inverted. Over time, your people will be able to spend half of their time on strategy, with the other half split evenly across controls, reporting and transaction processing.

# Success story

## YMCA of Monroe County



YMCA of Monroe County found Sage Intacct was the ideal platform to future-proof its financial operations. Automating workflows, streamlining reporting, and boosting remote access capabilities, has helped the nonprofit accelerate 10 years' worth of progress in just 12 months.

### With Sage Intacct now supporting the YMCA of Monroe County:

- Accounting staff are saving hours.
- Monthly close now takes just two days.
- The team has eliminated paper-based processes.
- And there's one-click integration with member management software.

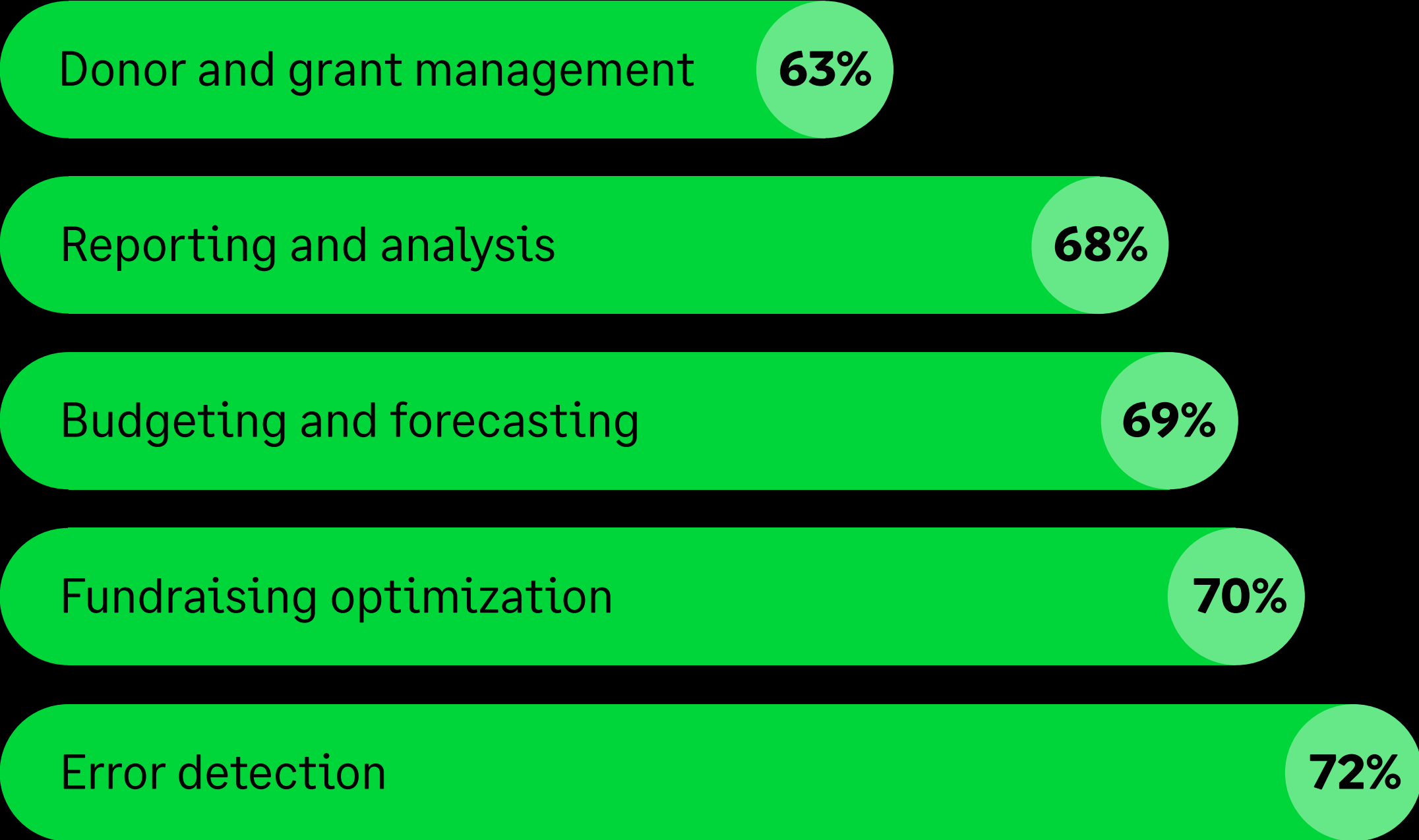
[Read their success story →](#)



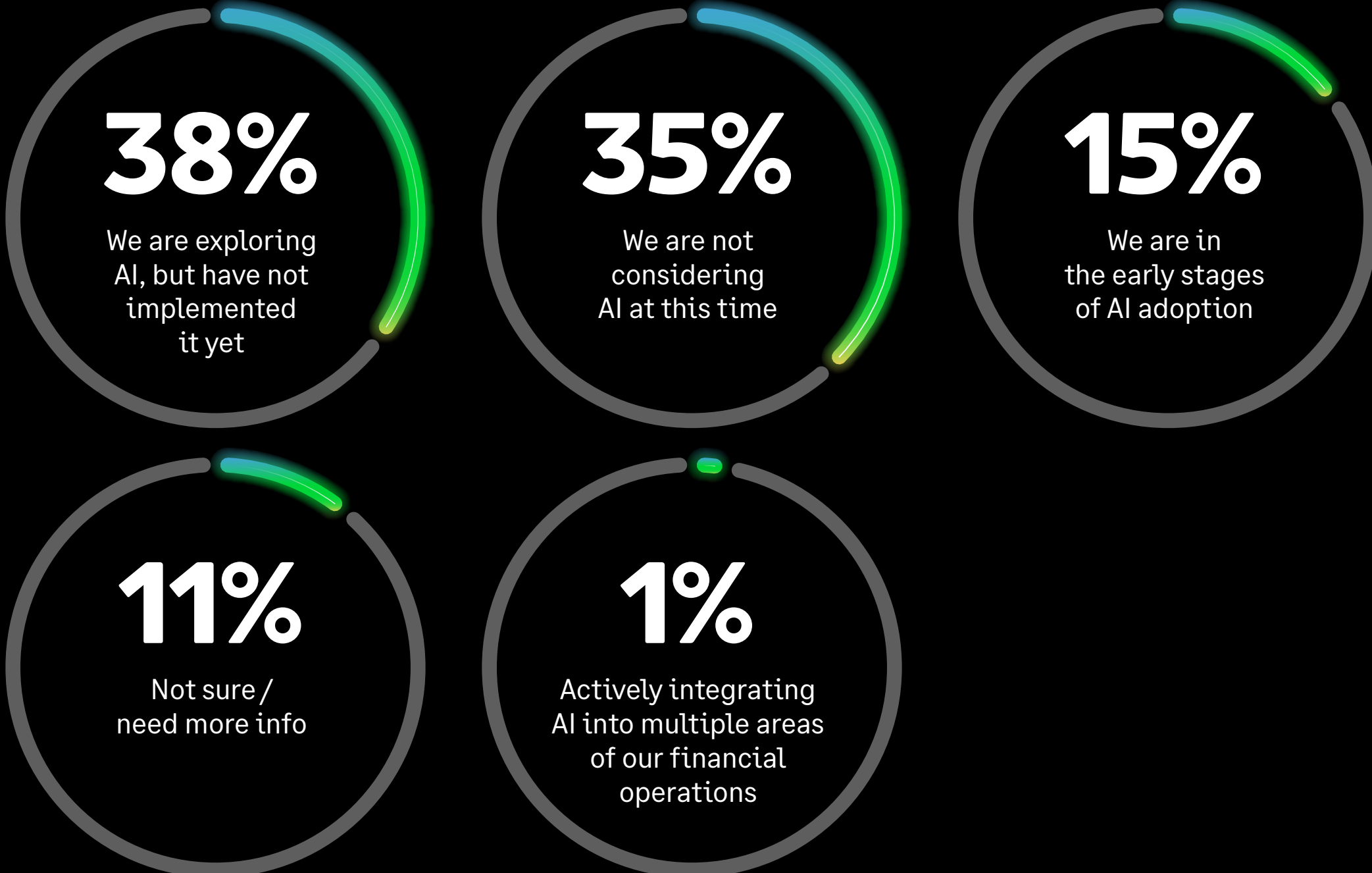
# ELEVATING MISSION-CRITICAL APPLICATIONS

In the 2025 Nonprofit Technology Impact Report, finance leaders were asked how much they were already utilizing AI, and which areas they were interested in using it in the future.

### In what areas of your financial operations are you interested in using AI technology?



### Where is your organization on its journey to utilizing AI?



There are many ways AI tools can enhance nonprofit financial management and deliver on their promise to offer support to high-performing nonprofit CFOs. Many of the most impactful current applications of AI in financial systems fall into the following categories:

## Financial operations

- **Automate accounts payable and data entry.** Sage Intacct uses AI-powered AP automation to reduce manual data entry and processing time by up to 50%, while increasing vendor matching accuracy to 95%. This eliminates repetitive bookkeeping tasks and improves both productivity and accuracy in financial record keeping.
- **Transform the financial close.** Sage Copilot delivers automated workflows to streamline the close process by handling routine tasks, flagging exceptions that need review, and maintaining a clear audit trail. This enables continuous accounting practices where transactions are processed, categorized and reconciled in real-time.
- **Access the help you need with ease.** Sage Copilot can interpret natural language questions, quickly serve relevant and actionable insights, and suggest related topics and articles. It will become the team's go-to resource for answering product- or help-related questions.
- **Improve team morale.** Automating boring repetitive work leaves staff time for higher strategy tasks, which improves morale and retention. In a [recent Microsoft survey](#) on nonprofits, 48% of employees said they felt burned out in their job, and 69% said AI would add the most value by helping with necessary but repetitive tasks.



## Strategic insights

- **Access real-time outcome metrics.** AI can analyze large amounts of data immediately, helping nonprofits track performance in real-time. That reduces reporting cycle times, and helps leaders conduct better program performance analysis, boosting engagement with donors and other stakeholders.
- **Streamline resource allocation.** By being able to better analyze program performance, nonprofits can ensure they're making the best use of their limited resources. Finance leaders can also learn from insights across funding, costs, cash and spend variances.
- **Forecast future trends with greater precision.** Nonprofits rely on a mix of unpredictable funding sources, from grants to individual donations. With intelligent automation, organizations can predict funding changes and service demands, and plan accordingly.
- **Improve decision-making capabilities.** While AI automates routine tasks, it enhances rather than replaces human decision-making. By providing data-driven insights and removing the administrative burden, AI enables finance leaders to spend more time collaborating with stakeholders and applying their expertise to strategic decisions.

## Risk management and compliance

- **Spot errors and anomalies immediately.** Digital assistants like Sage GL outlier detection can monitor performance 24/7, detect irregular transactions, and watch for unusual activity or unauthorized access by scanning billions of ledger entries in real-time. This proactive monitoring helps ensure data accuracy and reduce risk across all financial processes by catching issues before they impact operations.
- **Bolster cybersecurity.** Automation can strengthen nonprofits' defenses against hackers and other security risks. Nonprofits can be an attractive target for cyber criminals because they are seen as unlikely to have invested in the necessary expertise and technology to prevent attacks.

Above all else, intelligent automation helps nonprofit CFOs control their destiny. It puts finance teams back in the driver's seat, enabling you to seamlessly manage complex operations, increase visibility, and support mission growth. Finance leaders benefit from more time to deliver on strategic objectives, making smarter decisions and delivering a better future for the organization.

By automating your finances, you maximize your impact.

# Sage Intacct: The AI-powered features driving CFO impact



## Spotlight on GL Outlier Detection

Outlier detection in General Ledger (GL) accounting is crucial to ensure the accuracy of financial data, mitigate risk, and ensure compliance. But catching errors, inconsistencies and fraud manually is a thankless task. The Sage Intacct GL outlier assistant automates that process, flagging any outlier entries for an approver to check. Configuration settings help nonprofits personalize what is flagged as an anomaly and keep the whole process moving efficiently.

## Spotlight on AP Automation

AP automation powered by AI transforms the accounts payable process from a time-consuming manual task into an efficient, automated workflow. Sage Intacct AP automation automatically extracts data from invoices, matches vendors with 95% accuracy, matches bills with existing POs, and enables payments to be processed in half the time. The system learns and improves with each transaction, reducing errors while freeing up the finance team to focus on strategic initiatives.

### Key benefits include:

- Increased efficiency and productivity through automated data extraction and coding.
- Enhanced accuracy with AI-powered vendor matching.
- Reduced operational costs by eliminating manual data entry.
- Improved vendor relationships through timely, accurate payments.
- Better cash flow management with real-time visibility into payables.
- Strengthened security and fraud prevention with built-in controls.

## Spotlight on Intelligent Time

For companies who bill for time, this tool creates a continuous flow of time entries by using an AI assistant to reconstruct activity for timesheets, leading to more accurate and timely entries for billing, estimating, and financial visibility.

### Active users:

- Log 16.8% more billable time
- Submit timesheets 12.9 days earlier

## Spotlight on Interactive Visual Explorer

Go beyond past and the present visibility and into the future with AI-generated data visualizations such as trend and reference lines, clusters and forecasts.

### Active users:

- Create predictive models with just one click

# Spotlight on Generative AI with Sage Copilot

## Search

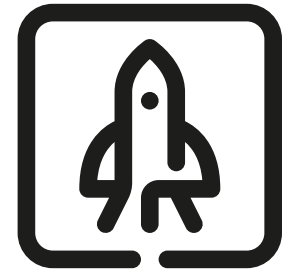
Search or ask questions to Sage Copilot. Deliver high-quality, action-oriented responses from a cohesive assistant that serves as the go-to resource for answering product or help related questions. Sage Copilot tailors its responses to your user's context such as industry vertical, company configuration, user entitlements, and more while leveraging information from a variety of trusted sources. This delivers quick, relevant, actionable results and proactive suggestions to increase overall user productivity in the system.

## Close Management

Resolve variances with proactive insights delivered by AI as part of your period-end closing process. With Sage Copilot variance analysis support, users can catch issues before they escalate. And as part of ongoing AI enhancements, users can also more quickly and easily navigate the close with help monitoring standardized close tasks, such as addressing unposted transactions and subledger reconciliations.

# Success story

## White Ribbon Alliance



The White Ribbon Alliance operates in more than 150 countries and has an increasingly diverse funding portfolio. It needed a cloud-based solution to meet its compliance requirements and to optimize operations for its distributed workforce.

### After integrating Sage Intacct high-performance finance software, the White Ribbon Alliance was able to:

- Eliminate manual data entry to scale finance capacity.
- Slash the time spent on currency conversions by 95%.
- Speed up multi-dimensional grant and donation tracking by 98%.
- Reduce the time it takes to close by 90%.
- Improve the finance team's efficiency by 40%.

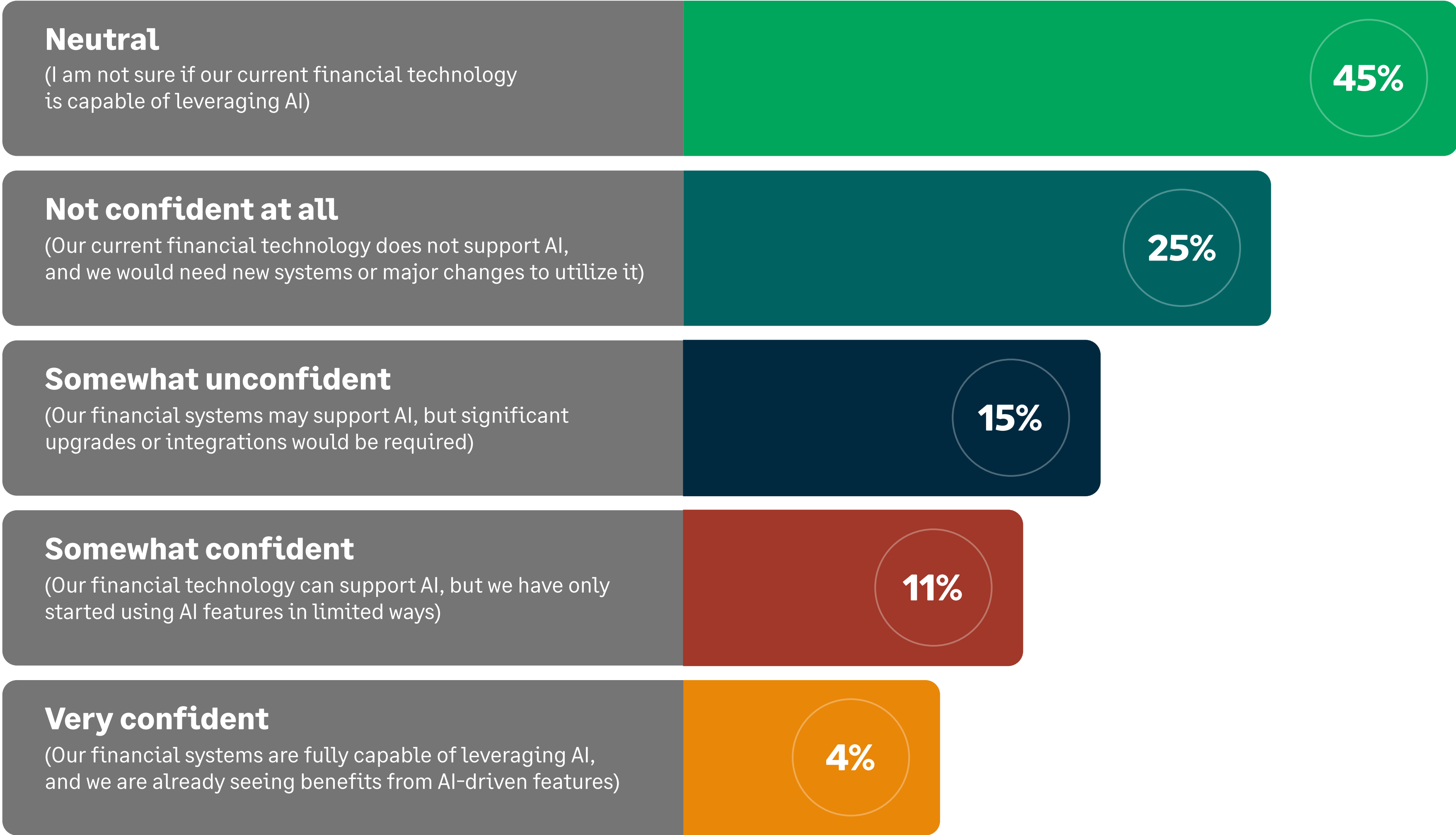
[Read their success story →](#)



# How confident are you in your current financial technology's ability to leverage AI?

In our 2025 Nonprofit Technology Impact report, we also asked how nonprofit leaders viewed their current provider's AI competency.

The results revealed the importance of considering which software partners are best positioned to deliver future innovation given the rapid pace of change in AI.



# Why organizations can trust Sage Ai

You've got big ambitions. So, you need to work with a vendor you can trust. It's important to select those you think can successfully incorporate AI in responsible ways. Part of this is ensuring they have clear commitments to further AI development. With Sage, you can be confident in our transparent commitments to implement human-centric AI designed to make you more productive.

## Our five commitments:

- 1 You're in control, every step of the way:** You decide how AI impacts your business. You can check, accept, change, or reject any response before using it.
- 2 You'll have confidence in our AI results:** Our AI models are tailored to your specific needs, ensuring results are reliable and relevant.
- 3 You'll get explanations with our AI results:** Our AI solutions, like AP Automation and Copilot, give you clear explanations and sources for AI results, helping you make smarter decisions with confidence.
- 4 You'll benefit from our responsible AI:** We harness AI's potential responsibly, prioritizing ethical practices and minimizing risk.
- 5 We'll be by your side, ready to support you:** We've done the hard work to ensure our AI-powered solutions are easy to use, like our Copilot assistant. We also take pride in our expert human support, so you can get the information you need whenever you need it.

Find out more about our [AI philosophy](#).

## Why you can be confident in Sage Ai | Sage US

Confidence is the key to success in business. Sage provides AI-powered high-performance finance solutions backed by our five commitments—so you can make smarter, faster decisions with confidence.



# GETTING STARTED: YOUR IMPLEMENTATION ROADMAP

Most nonprofit finance leaders understand that AI implementation would allow them to be more impactful. But getting started—and delivering a first-class transformation strategy—can be daunting in a sector famed for its caution. With the right guidance, you'll get the expertise you need to succeed.

Here's how to get started:

## Assess your organization's readiness

- **Define the pain point.** Start by identifying specific challenges that AI could solve. Focus on repetitive tasks consuming staff time or areas where automation could reduce errors and enhance analysis. Understanding exactly what problem you're trying to solve helps ensure AI adoption delivers real value.
- **Understand the available tools.** Research and familiarize your team with specialized AI finance tools versus general AI solutions. For nonprofits, this means understanding how tools like AP automation and outlier detection can address specific financial management needs.
- **Set realistic expectations.** AI should complement, not replace, your team's expertise. Cloud-based solutions can help manage infrastructure demands, but you'll need to ensure data quality and accuracy to get meaningful results.

## Drive change management

- **Build support throughout the organization.** When technology projects fail, it's usually because of people, not the digital infrastructure itself. Make sure you involve the wider team from the start, explain the benefits of the technology, ask for their input around pain points, and get buy-in from C-suite colleagues to drive enthusiasm from the top down.
- **Start with a single solution.** Choose one tool that effectively addresses your primary pain point rather than trying to solve multiple challenges at once. This focused approach helps build confidence and demonstrate value before expanding AI usage.
- **Build an AI-ready culture.** Any process change will need time and training to bed in. Make sure you allow time for the transition and invite questions and feedback. You should choose a partner that can support your team during this implementation phase.
- **Track success metrics.** Identify the metrics that will determine the project's success and track improvements from day one. Having quantifiable return on investment (ROI) data will also help build support for future pilot projects.

# LOOKING AHEAD

**The work nonprofits deliver is too important to be held back by outdated solutions.**

The potential power of AI is undeniable. And with a high-performing CFO at the helm, nonprofit organizations can begin to maximize their impact—unlocking greater visibility, integrating data sources, unlocking strategic insights, and improving collaboration.

Now, strategic CFOs need to assess the most pressing opportunities for automation, get their team on board with the right training, and strategically align its capabilities with their overall mission.

By embracing intelligent automation, finance leaders can:

- **Improve the efficiency, productivity and morale of all employees.**
- **Streamline resource allocation and increase the effectiveness of programs.**
- **Reduce the incidences of errors.**
- **Automate billing to boost cash flow.**
- **Mitigate risk and make reporting a breeze.**
- **Access more data and insights to make better decisions.**
- **Strategically plan for the future, with more accurate forecasts and budgets.**
- **Take control of the organization's finances, across every fund, grant, and program.**
- **Establish themselves as the strategic leads of the organization, driving mission impact and delivering a positive future.**

AI will continue to develop, but by taking the first step to optimize their financial operations now, nonprofits will be well placed to take advantage of emerging AI capabilities and innovations as they evolve. That's especially true of those working with a partner able to add functionality in a modular way, with the capacity to facilitate scale, thanks to the cloud.

Intelligent automation is more than just another technology tool for nonprofits. It offers a new way to empower teams that are working tirelessly to drive impact and mission success. CFOs are well placed to thrive in the digital age. You have the knowledge, the data and insights, and the ambition to make real change. Now you just need the right technology to pull it all together.



# DISCOVER WHY SAGE IS THE #1 CHOICE FOR AMBITIOUS NONPROFIT CFOs

Join our webinar session where you can discover more about AI-powered nonprofit financial management and have your questions answered by Sage experts.

Learn how to fuel mission success with market-leading transparency, automation, and stewardship with our [interactive product tour](#).

Or see how nonprofit [Operation HOPE](#) saved time, improved accuracy, and reduced risk by moving their accounting platform to Sage Intacct.





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